

Department of Human Resources 311 West Saratoga Street Baltimore MD 21201

Control Number: #15-04

FIA INFORMATION MEMO

Effective Date: October 1, 2014

Issuance Date: September 15, 2014

TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES

DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT FAMILY INVESTMENT SUPERVISOR AND ELIGIBILITY STAFF

FROM: ROSEMARY MALONE, EXECUTIVE DIRECTOR

RE: FOOD SUPPLEMENT PROGRAM (FSP) MASS CHANGES

OCTOBER 2014

PROGRAM AFFECTED: FOOD SUPPLEMENT PROGRAM

ORIGINATING OFFICE: OFFICE OF PROGRAMS

SUMMARY:

Each August, the United States Department of Agriculture (USDA) publishes the updated standards for income and deductions for the next federal fiscal year. Effective October 1, 2014, the income standards and standard deductions for the Food Supplement Program (FSP) increased for all household sizes.

The FSP excess shelter deduction will also increase slightly to **\$490**. CARES automatically generates customer notices for increases at the time of the mass change in September.

ACTION REQUIRED:

Attached are the updated income and standard deduction FSP manual pages reflecting the new standards effective October 1, 2014. Please replace previous Food Supplement Program manual pages with the attached manual pages.

Reminder: The homeless shelter deduction **remains at \$143**. Households in which all members are homeless, but who do not receive free shelter, qualify for the standard homeless shelter deduction of \$143.

Note: Use actual shelter expenses, rather than the homeless shelter deduction, if the actual shelter costs result in an excess shelter deduction that is higher than the \$143 homeless deduction.

Food supplement benefit and new recoupment amounts do not require action by the case manager. The only exceptions are recoupment cases when the payment plan source is grant reduction (GR) or court order (CO). CARES generates a report identifying these cases. Local departments will be sent this report right after the migration. You must manually update these cases.

PAYMENT ACCURACY

The changes should not affect payment accuracy. However, local departments using the manual food supplement calculation worksheets should make adjustments for the new standard deductions for calculations effective October 1, 2014.

<u>INQUIRIES:</u> Please direct FSP policy questions to Rick McClendon at 410-767-7307 or <u>rick.mcclendon@maryland.gov</u>

Attachment: FSP Manual Section 600 Pages 1 and 2

c: DHR Executive Staff
Constituent Services
DHR Help Desk
FIA Management Staff

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION

FOOD SUPPLEMENT PROGRAM MANUAL

STANDARDS FOR INCOME AND DEDUCTIONS

Section 600

Page 1

600.1 STANDARDS FOR ELIGIBILITY AND MAXIMUM ALLOTMENTS

- A. The standards for the following appear in Section 600, page 2.
 - 1. Column A Maximum Gross Monthly Income Standards (130% of poverty)
 - 2. Column B Maximum Net Monthly Income Standards (100% of poverty)
 - 3. Column C Maximum Gross Income Standard for Elderly <u>and Disabled</u> Separate Household (165% of poverty)
 - 4. Column D Thrifty Food Plan/Maximum Allotment
- B. Standards 1, 2, and 3 are used to determine household eligibility and not for computing allotments.

600.2 FORMULA CALCULATION

- A. Multiply the household's net monthly income by 30%.
- B. Round the product up to the next whole dollar if any cents result.
- C. Subtract the product from the maximum allotment amount for the household size found in Column D, Section 600.

NOTE: In an initial month, if the allotment is less than \$10, no benefit is issued. Except in an initial month, all eligible one and two person households must be issued the minimum allotment of \$16.

600.3 DEDUCTION STANDARDS

Standard Deduction	
Household size up to and including 3 people	\$155
Household of 4	\$165
Household size of 5	\$193
Household size of 6 or more	\$221
Excess Shelter Deductionup to	
Homeless Household Shelter Allowance	\$143
Standard Utility Allowance (SUA)	\$406
Limited Utility Allowance (LUA)	\$246
Telephone Standard	\$40

^{*} The excess shelter deduction does not apply to households with an aged or disabled member. These households receive an uncapped shelter deduction.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION

FOOD SUPPLEMENT PROGRAM MANUAL

STANDARDS FOR INCOME AND DEDUCTIONS

Section 600

Page 2

600.4 Determining the Food Supplement Program Allotment

- A. Determine a household's monthly food supplement allotment by using the Basis of Issuance Tables:
 - 1. Calculate the household's net monthly income.
 - 2. Compare the household's net monthly income to the maximum net monthly income standard, Column B below. Households that are not categorically eligible for food supplements will have net monthly incomes that are lower than or equal to the amounts shown in Column B.
 - 3. Find the allotment by reading in the Basis of Issuance Tables, down to the appropriate income and across to the appropriate household size.

NOTE: A household that is categorically eligible is entitled to any allotment shown in the appropriate column on the tables. Persons in household sizes of one or two and categorically eligible are eligible for a benefit of \$16, even if the tables do not show a benefit amount at their net income levels.

	Col. A	Col. B	Col. C	Col. D
Household Size	Maximum Gross Monthly Income* 130% of Poverty	Maximum Net Monthly Income* 100% of Poverty	Monthly Income Elderly/Disabled Separate Household* 165% of Poverty	Maximum Allotment
1	\$1265	\$ 973	\$1605	\$194
2	1705	1311	2163	357
3	2144	1650	2722	511
4	2584	1988	3280	649
5	3024	2326	3838	771
6	3464	2665	4396	925
7	3904	3003	4955	1022
8	4344	3341	5513	1169
Each				
Additional Member	+440	+339	+559	+146

^{*} Maximum gross and net monthly income figures are not used for computing the food supplement allotment. They are included as a reference for determining the household's eligibility.